

# City of Detroit

## CITY COUNCIL

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ANNE MARIE LANGAN  
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(313) 224-1078

TO: Miriam Blanks-Smart, Director  
Department of Administrative Hearings

FROM: Irvin Corley, Jr., Fiscal Analysis Director

DATE: April 28, 2009

RE: 2009-2010 Budget Analysis

24.

Attached is our budget analysis regarding your department's budget for the upcoming 2009-2010 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing on **Thursday, April 30, 2009 at 11:00 a.m.** We would then appreciate a written response to the issues/questions at your earliest convenience subsequent to your budget hearing. Please forward a copy of your responses to the Councilmembers and the City Clerk's Office.

Please contact us if you have any questions regarding our budget analysis.

Thank you for your cooperation in this matter.

IC:ss

Attachment

cc: Councilmembers  
Council Divisions  
Auditor General's Office  
Joseph Harris, Chief Financial Officer  
Pamela Scales, Budget Department Director  
Ervin Stewart, Budget Department Team Leader  
Arese Robinson, Mayor's Office

## Department of Administrative Hearings (45)

### FY 2009-2010 Budget Analysis by the Fiscal Analysis Division

#### Summary

The Department of Administrative Hearings is a General Fund Agency that adjudicates blight violations such as violations of property maintenance, zoning, solid waste, and illegal dumping ordinances. The Mayor's Proposed Budget for 2009-2010 includes appropriations of \$2.2 million, which is a decrease of \$0.035 million or 1.6% from fiscal year 2008-2009. The Mayor's 2009-2010 Proposed Budget includes revenues of \$0.5 million, which is a decrease of \$0.4 million from fiscal year 2008-2009. The department's net tax cost recommended for next year is \$1.7 million, \$0.4 million more than the budgeted net tax cost for the current year.

#### 2008-2009 Surplus/(Deficit)

The estimated deficit for the Department of Administrative Hearings is \$497,000 for fiscal year 2008-2009. The deficit is composed of a revenue deficit of \$700,000 and an appropriation surplus of \$203,000.

#### Department of Administrative Hearings (45)

Budgeted Professional and Contractual Services by Activity	FY 2008-09 Budget	FY 2009-10 Recommended	Increase (Decrease)
Blight Violation Adjudication	\$ 1,298,460	\$ 820,990	\$ (477,470)
<b>Total</b>	<b>\$ 1,298,460</b>	<b>\$ 820,990</b>	<b>\$ (477,470)</b>

#### Overtime

The Mayor's Proposed Budget for fiscal year 2009-2010 does not include any provision for overtime expenses. As of March 31, 2009, the Department had actual overtime of \$108.

#### Personnel and Turnover Savings

There are no projected personnel or turnover savings for this department.

Appropriation/Program	Redbook Positions FY 2008-09	Filled Positions 3/31/2009	Mayor's Budget Positions FY 2009-10	Over/(Under) Actual to 08/09 Budget	Mayor's Recommended Turnover
Department of Administrative Hearings (45):					
11159 Blight Violation Adjudication	6	5	6	(1)	\$ -
<b>TOTAL</b>	<b>6</b>	<b>5</b>	<b>6</b>	<b>(1)</b>	<b>\$ -</b>

## Proposed Layoffs and Position Changes

The Mayor's Proposed Budget for 2009-2010 does not include a reduction in force for this department, nor does it include any layoffs.

## Significant Revenue Changes

<u>Appro.</u>	<u>Program</u>	
11159	Blight Violation Adjudication	The Mayor's 2009-2010 Proposed Budget includes \$0.5 million in revenue, which is a decrease of \$0.4 million from the current year's budget of \$0.9 million. The decrease is primarily the result of a reduction in administration fees of \$0.6 million and \$0.1 million of personal services offset by an increase in other fees of \$0.2 million and \$0.1 million in late payment fees.

## Issues and Questions

1. Why are administration fees decreasing by \$0.6 million?
2. Personal Service revenues are projected to decrease by \$0.1 million from 2008-2009. What is the reason for the reduction in revenues?
3. Why are other fees increasing by \$0.2 million, and late payment fees by \$0.1 million?
4. The current year's budget does not include an amount for other expenses. The Mayor's 2009-2010 Proposed Budget includes \$40,000 for other expenses. What other expenses will the Department of Administrative Hearings incur?
5. Please explain the projected revenue deficit of \$700,000 and appropriation surplus of \$203,000 for the current fiscal year.
6. Please explain the \$477,500 decrease in professional/contractual services, and the \$390,000 increase in operating services in the 2009-10 proposed budget.
7. Is the department working on an ordinance giving citizens a notice allowing them to take corrective measures before receiving a ticket violation?
8. Does the department track violations rendered by type? Does the department know the percentage of violations collected and repealed to circuit court? Do you know the percentage of court rulings rendered in the city's favor?